

STATE OF MAINE)	
PUBLIC UTILITIES COMMISSION)	Docket No. 97-580 (Phase II-B)
)	
)	April 5, 2000
)	
CENTRAL MAINE POWER COMPANY)	
Investigation of Central Maine Power Company's)	STIPULATION ON CORRECTION
Stranded Costs, Transmission and Distribution)	OF CALCULATIONAL ERROR
Utility Revenue Requirements, and Rate Design)	

The undersigned parties to the above-captioned proceeding (“Parties”) hereby enter into this Stipulation in order to allow for the correction of a calculational error made by CMP in the computation of stranded costs. The parties agree that, if the error were not made, the costs would be recoverable in rates and further agree that neither CMP nor its customers should be harmed by this calculational error or its correction.

THE PARTIES TO THIS STIPULATION STIPULATE AND AGREE THAT:

1. On February 11, 2000, CMP filed a motion to correct an error in the calculation of stranded costs. The Company requested that the amortization of the ASGA be increased to offset the error. The error arose from the inadvertent exclusion of capacity payments CMP is required to make to Cinergy as a result of restructurings of two QF contracts. As a result, stranded costs are understated by \$3,375,000 for the period March 1, 2000 through February 28, 2001, and \$3,465,000 for the period March 1, 2001 through February 28, 2002.¹

2. On March 23, 2000, the Public Advocate (“OPA”) and the Independent Energy Producers of Maine (“IEPM”) filed oppositions to CMP's motion.² In their oppositions, OPA and IEPM did not dispute the calculational error or the factors that caused it to occur, but rather

¹ The amounts shown here differ slightly from those presented in CMP’s February 11, 2000 motion. On March 31, 2000, CMP updated the amounts contained in the February 11 motion to reflect a correction that is described in the response to TDR-05-01. The above amounts reflect this correction.

² The IEPM filed a more detailed objection on March 10, 2000.

argued that this proceeding should not be reopened for a single issue correction. The OPA expressed the concern that it would be precedentially inappropriate to reopen a closed record in a stipulated case for such a single issue correction. Instead, the OPA urged, and the IEPM concurred, that the Commission to defer the costs until stranded costs are next set, at which time the recovery method and period for the costs could be determined.

3. On March 30, CMP filed a response to these oppositions and concurred with the OPA and IEPM recommendation.

4. To allow CMP to recover these costs that are not currently included in the revenue requirement resulting from this proceeding, the parties agree that CMP shall defer with carrying costs the \$3,375,000 and \$3,465,000 referred to in paragraph 1 above, and the parties agree that CMP will be allowed to recover such deferred amounts, including related carrying costs, in the next rate setting proceeding in which stranded costs are reset.

5. The execution of this Stipulation by any Party shall not constitute precedent as to any matter of law or fact nor, except as expressly provided herein, shall it foreclose any of the Parties from making any contention or exercising any right, including rights of appeal, in any other Commission proceeding or investigation, or any other trial or action.

6. The Parties intend that this Stipulation be considered by the Commission for adoption as an integrated solution to the issue addressed herein which arose in the above-captioned proceeding and as otherwise presented in this Stipulation. The parties also intend that this Stipulation shall be null and void, and not bind the parties in the above-captioned proceeding, in the event the Commission does not adopt this Stipulation without material modification.

7. If not accepted by the Commission in accordance with the provisions hereof, this Stipulation shall not prejudice the positions taken by any Party on the issue before the Commission in this proceeding and shall not be admissible evidence therein or in any other proceeding before the Commission.

Dated: _____

CENTRAL MAINE POWER COMPANY

By: _____

Dated: _____

THE PUBLIC ADVOCATE

By: _____

Dated: _____

INDUSTRIAL ENERGY CONSUMER GROUP

By: _____